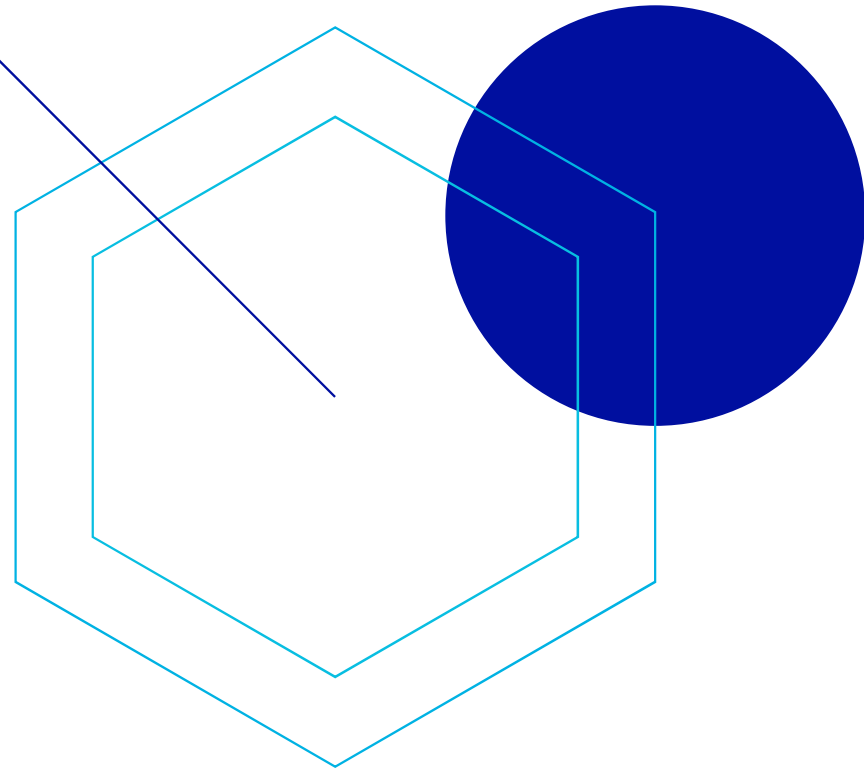


# Sfpi Group

## 2018 : Half year results

Henri Morel, Chief Executive Officer  
Damien Chauveinc, General Director  
Nicolas Loyau, Chief Financial Officer



September 26, 2018

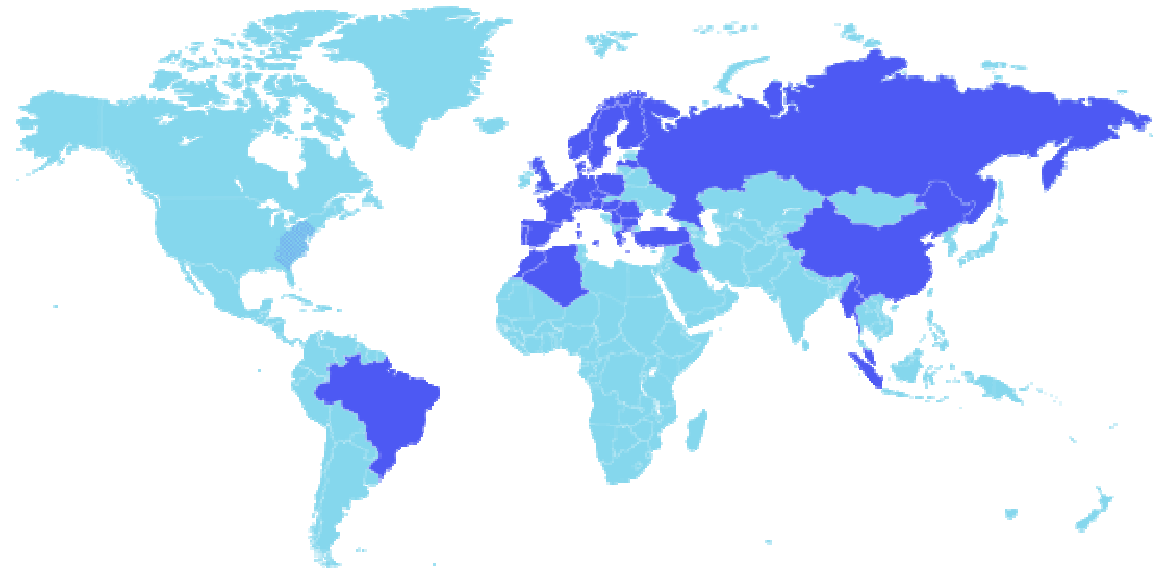
# Independent, industrial, international

SFPI Group was created in France in 1985 by entrepreneurs led by Henri Morel, who wanted to engage in the recovery and development of industrial companies.

In June 2018, SFPI Group generated a turnover of 275,8 million Euros, in the safety industry.

40 % of revenues are generated outside of France.

SFPI Group has 3 734 employees, 39 % of whom are based outside of France.



# Specialized in the safety industry for people, goods and environment



## Business Group « Construction » Security and comfort for buildings

197 M€

71 % of june 2018 Group revenues

### MAC

Windows, blinds, awnings, shutters, garage doors for residential and non residential buildings

### DOM Security

Locking and access control equipment and systems

## Business Group « Industry » Air treatment and energy control

79 M€

29 % of june 2018 Group revenues

### MMD

Heat exchanger and sterilization equipment and systems

### NEU-JKF

Air treatment solutions for the industry

# Foster our principles of Industrial Responsibility to create value for its customers, employees and shareholders



## Commercial Responsibility

To deliver its customers with products and services that meet the highest standards

## Managerial Responsibility

Entrepreneurial agility of our managers  
Develop and rely on skills of our employees

## Financial Responsibility

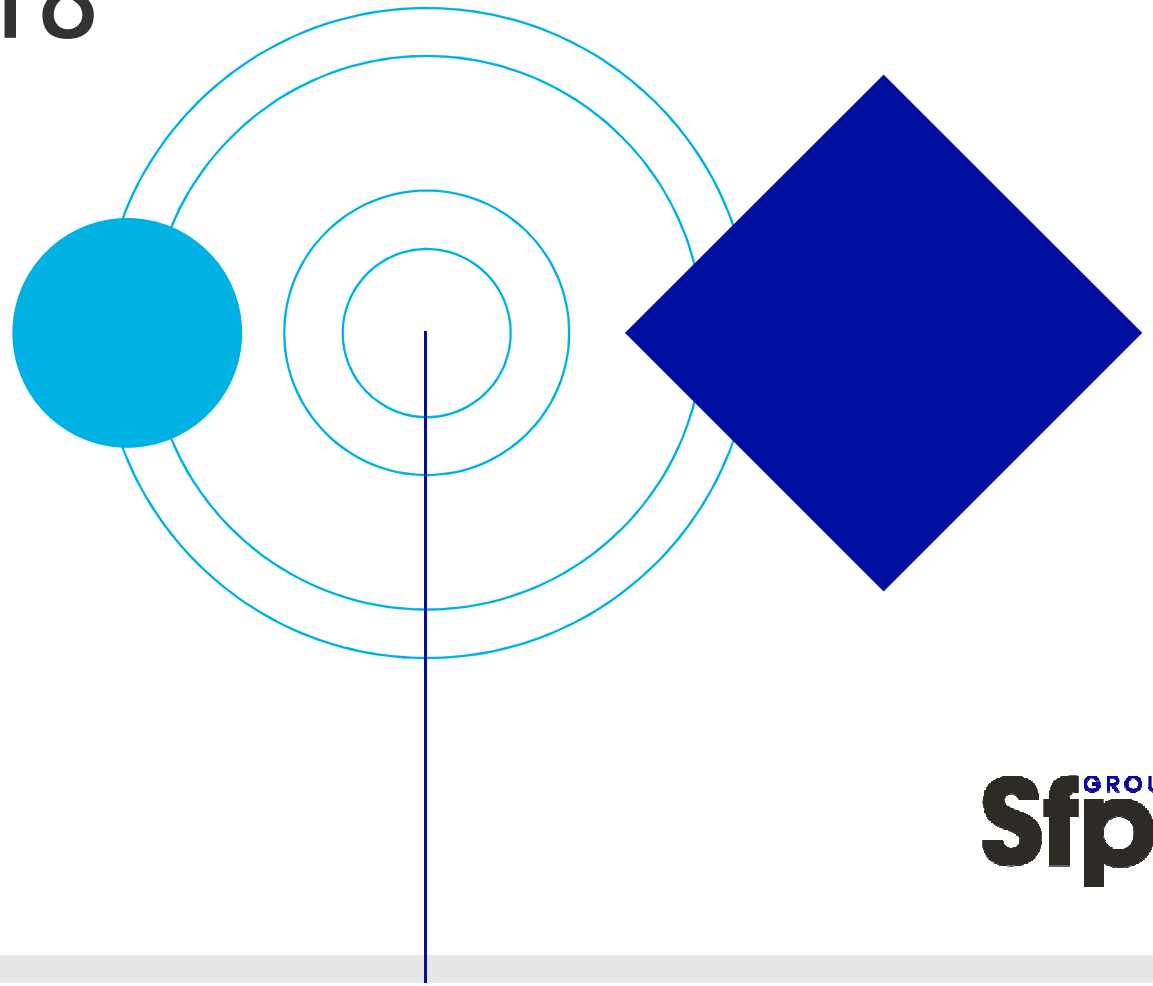
Thorough and rigorous financial controlling of the Business Units  
Industrial Capital Expenditure and innovation for a long term growth of revenues

## Corporate and Social Responsibility

Improve energy efficiency and reduce the environmental footprint of our products, services and premises  
Be part of the Community

# Key figures

## 1st semester 2018



# Key figures S1 2018

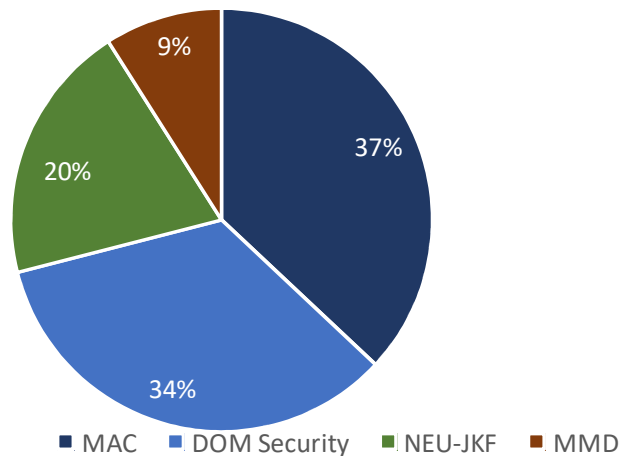
Sales	275,8 M€	+12,4%
Recurring Operating Income	13,3 M€	+25,2%
Net Income, Group share	9,6 M€	+161,2%
Self-financing capacity	15,7 M€	(4,4)%
Net Financial excess	40,1 M€	(20,4)%

# Consolidated S1 2018 revenue : 275,8 M€

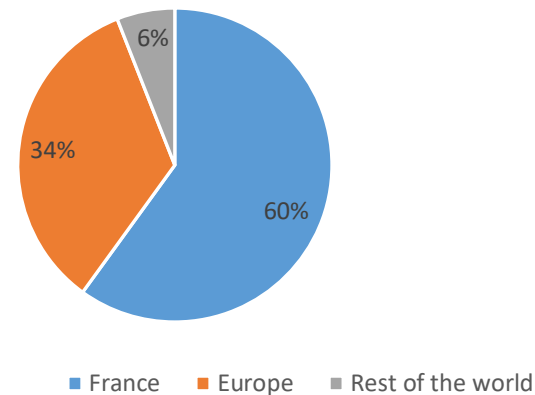
Sales increase by 30,3 M€ (+ 12,4 %)

- ▶ Organic growth on a comparable basis of 5 % (12,2 M€)
- ▶ Sales contribution of JKF Industri of 18,1 M€

Sales split per business unit June 2018



Sales split per geographies



Sales outside of France : 110 M€

# Highlights 1<sup>st</sup> semester 2018

- 30/04/2018: Divestment 100% of Spomasz (MMD)
- 31/05/2018: Acquisition of 70% of shares of Eliot (DOM Security)
- 20/06/2018: Decision to launch a simplified tender offer on DOM Security capital
- 26/06/2018: Groupe SFPI and DOM Security announce their merge
- 29/06/2018: Acquisition of 100% of Cipriani (MMD)

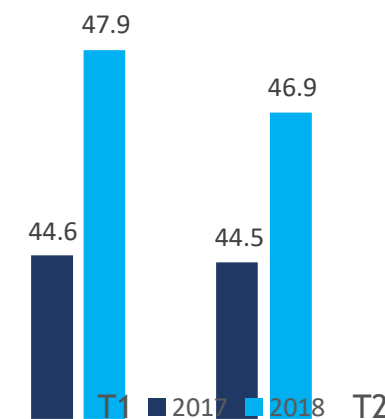


# Financials and Highlights S1 2018

## DOM SECURITY

M€	S1 2017	S1 2018	
Sales	89,1	94,8	← Increase of sales: + 6,5 %
Growth margin, as % of revenue	71,9%	69,5%	← Growth margin end of 2017: 71% Increase of raw materials
Recurring operating income	6,4	7,4	← Variation per zone : +1,6 M€ Northern Europe +0 M€ Western Europe (0,1) M€ Central Europe (0,5) M€ Southern Europe
Operating income	6,4	6,3	
Group net operating income	4,9	4,5	
1569 employees	Investment : 4,2 M€		

sales  
per quarter



### Highlights

- Acquisition of 70% of Eliot's shares at a price of 2,1 M€:
  - Armoured doors manufacturing in Paris
  - Annual sales of 2,5 M€ / ROC 10 % (contribution of sales of 0,2M€)
- Acquisition of 70% of Antipanic at 20/09/2018:
  - Manufacturing of antipanic devices
  - Annual sales of 7,0M€ / ROC 9 %

# Consolidated Financials

## DOM SECURITY

	S1 2017	2017	S1 2018
Equity	90,1	94,5	94,0
Borrowings	10,6	10,6	30,0
Cash available	29,1	31,6	47,7
Net cash	18,5	21,0	17,7
Cash flow	9,2	17,2	8,9
Recurring operating income	6,4	16,0	7,4
Depreciation	(3,6)	(6,3)	(3,8)

← Borrowing of 18,3 M€ to finance the simplified tender offer cash at June 30, the operation occurred in July 2018

← Dividends of 4,2 M€

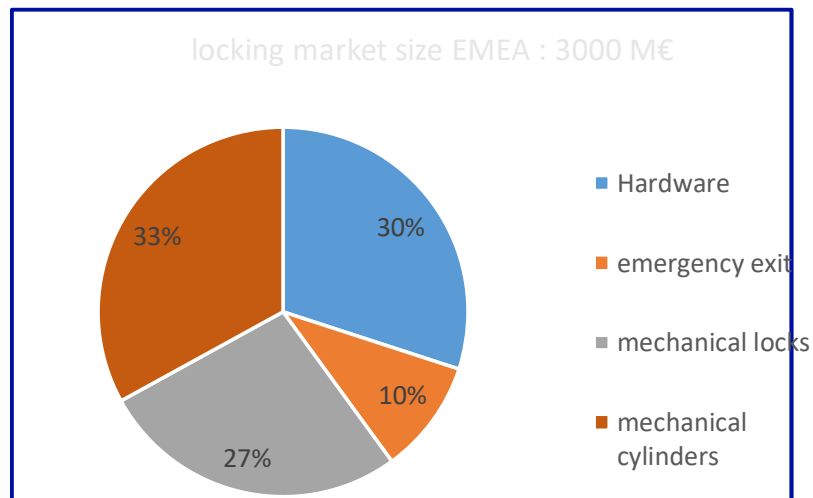
Please find all the information on Dom Security website : [www.dom-security.com](http://www.dom-security.com)

# DOM SECURITY - simplified tender offer

- May 17th, 2018 : Reduction of DOM Security capital by cancellation of 42 165 treasury shares- **Groupe SFPI holds 70,5 % of DOM Security**
- June 20th, 2018 : Simplified tender offer decided by the board for 240 000 shares at a price of 75 €/ share
- **July 13-26 2018 : tender offer operation and success**
  - Acquisition of 240 000 shares at a price of 75€/ share
  - Operation financed by a bank loan (18 M€)
- September 5th, 2018 : Reduction of DOM Security capital by cancellation of 197 835 treasury shares- **Groupe SFPI holds 76,9 % of DOM Security**
- Septembre 24th, 2018 :
  - DOM Security capital : €33 059 280 divided in 2 203 952 shares of €15,00 each
  - Treasury of 42 165 shares (1,9% of the capital)

# Locking and access control equipment and systems

- Come and meet us:
  - At the Essen fair in Germany from 25/09 to 28/09
  - At Expo Protection in Paris from 06/11 to 08/11



# Financials and Highlights S1 2018

## MAC

M€	S1 2017	S1 2018	
Sales	100,3	102,3	← Sales increase of +2,0 % despite social strike
Growth margin, as % of revenue	54,6 %	53,3%	← Increase of raw materials
Recurring operating income	3,9	3,0	← Impact of social perturbation and growth margin
Operating income	4,1	2,1	← Costs of reorganisation and moving of Toulouse Unit



Arnaud De Seigneurens  
Operating manager of France Fermetures



Jean-Jacques Nayral  
Operating manager of Franciacflex

1 199 employees

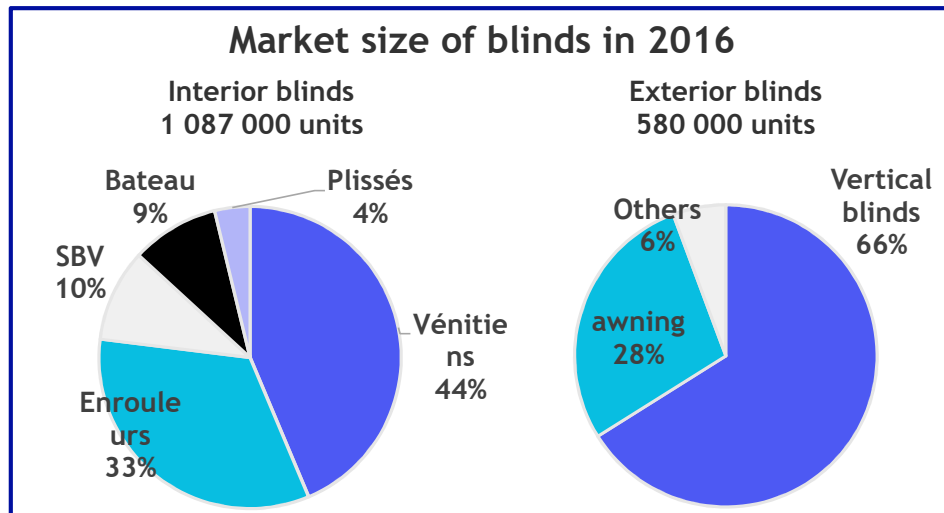
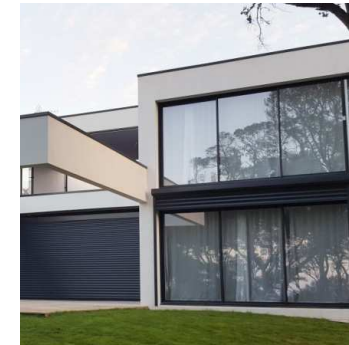
Investissements : 0,9 M€

### Highlights

- Important growth on 1st half year except blinds
- Social perturbation in France Fermetures which had a negativ impact of (1M€) on the operating result
- Closure of Toulouse plant (0,9M€ in the account)
- New management for France Fermetures and Franciacflex

# Windows, blinds, awning, shutters, garage doors

- Commercial shutters Qcompact® A2P\* certification : meet us at Equipbaie in Paris from November 20 to 23
- 360 workshop digitalisation of the process (from ordering to delivery): a 3rd industrial site launched (Luzech, PVC)



# Financials and Highlights S1 2018

## NEU-JKF

M€	S1 2017	S1 2018	
Sales	32,7	54,0	← Increase of Sales: + 55,3 % included 18,1 M€ from JKF + 9,8 % organic growth
Growth margin, as % of revenue	50,6 %	53,8%	← Increase of margin: positiv impact ofJKF and improvements for NEU
Recurring operating income	(2,0)	0,5	← Improvement of the recurring operating income because of volume effect, growth margin and stabilisation of employees costs
Operating income	(2,6)	0,2	

699 employees  
(334 at JKF)

Investment : 1,4 M€

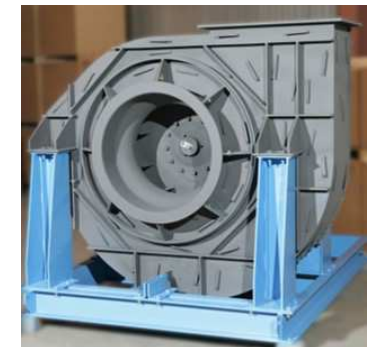
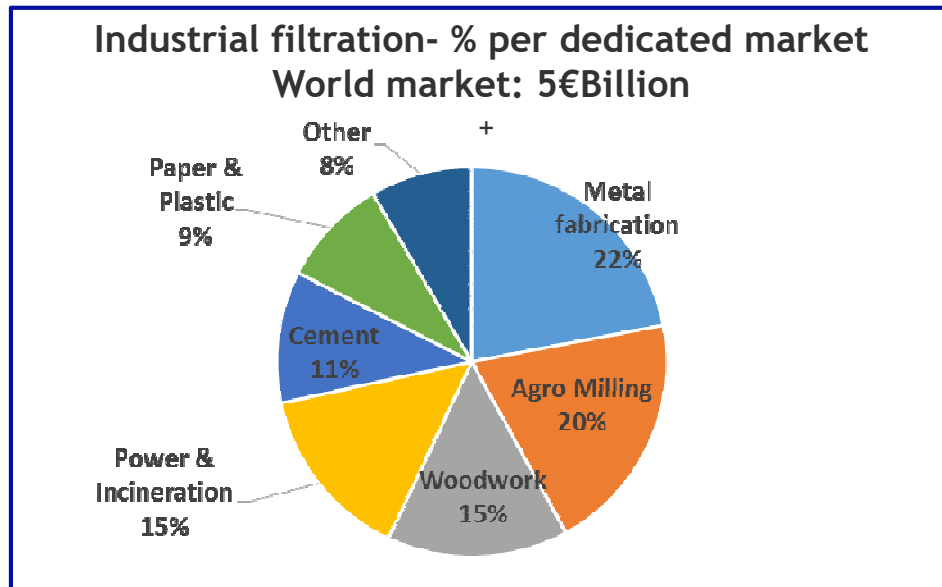
### Highlights

- Increase of order of+ 5,2%, uncertainty in Great Britain
- Delivery of the 1st vaccum train for New york subway
- Investment in a laser cutting machine in Denmark (1,2M€)
- Synergies NEU-JKF :
  - Internalisation : 0,6M€ on 6 months
  - Neu-JKF Wood Industry in France : 1 project won
  - Creation of a commercial unit for Poland and eastern Europe



# Air treatment solution for the Industry

- Digital: 1,2 M€ of sales for NEU on 1st half year 2018 (vs 450k€ in 2017)
- Logo NEU-JKF finalised and launching of a new common website : <https://neu-jkf.com/>





# Financials and Highlights S1 2018

## MMD

M€	S1 2017	S1 2018	
Sales	23,5	24,7	← Increase of sales: + 5,1 %
Growth margin, as % of revenue	62,8 %	59,5%	← Decrease of growth margin for Spomasz taken into account until end pf april (growth margin end 2017 = 58,3%)
Recurring operating income	2,5	3,0	
Operating income	2,5	7,3	← Net profit on Spomasz divestment 4,4 M€



253 employees

Investment : 2,0 M€

### Highlights

- Divestment in Spomasz on April 30th:
  - Although common Know-how, weak industrials synergies with the MMD division's companies
- Investment in Cipriani on June 30 :
  - Secure some of our supply
  - Reinforce our position on a lead market

# Financials and Highlights S1 2018

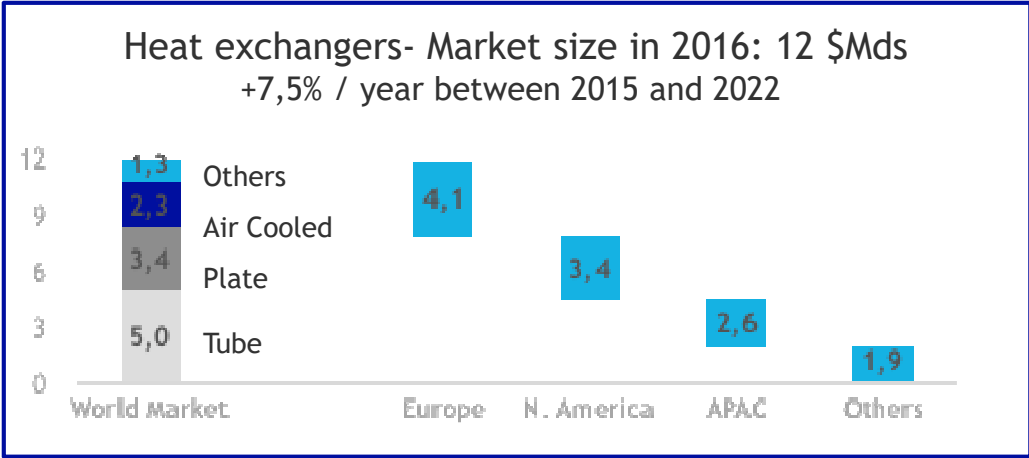
## MMD

- Divestment in the polish company SPOMASZ WRONKI:
  - Divestment end of April for a price of 6,6 M€
  - Net profit from the divestment: 4,4 M€
  
- Investment in the italian company CIPRIANI PHE:
  - Acquisition of 100% of shares on June 29, 2018 for 7,8 M€ and for 1,6M€ for patents
  - Gasketed heat exchangers manufacture
  - 2017 annual sales of 9,8 M€ / 40 employees
  - No contribution to the Group's results june 30, 2018
  - Temporary Goodwill of 5,7 M€
  - Acquisition financed by a bank loan of 7,5 M€



# Heat exchangers and sterilization equipment and systems

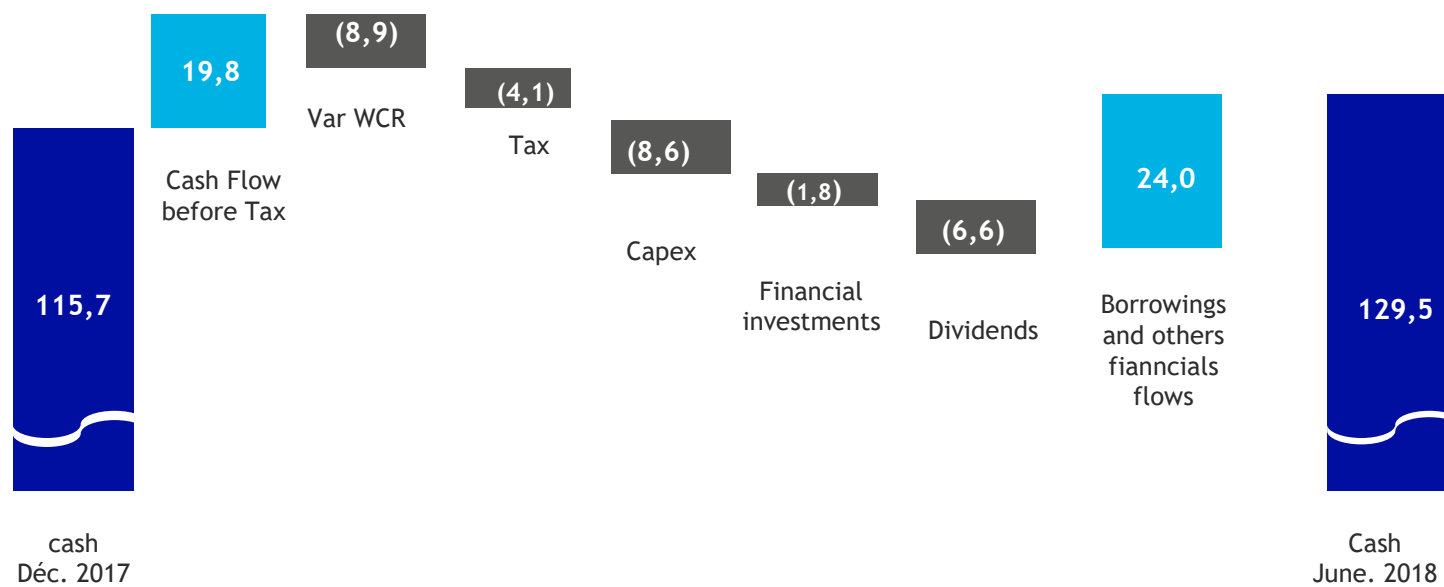
- Launching of a new sterilization system « Super Dali » for the food industry



# Consolidated Financials

M€	S1 2017	% of sales	S2 2017	% of sales	2017 retraité	% of sales	S1 2018	% of sales
<b>Sales</b>	<b>245,5</b>		<b>259,0</b>		<b>504,5</b>		<b>275,8</b>	
Gross Margin	150,2	61,2%	153,3		303,5	60,2%	164,1	59,5%
Payroll expenses	(84,5)		(84,3)		(168,8)		(93,6)	
Other charges	(44,0)		(38,6)		(82,6)		(59,1)	
Tax	(3,5)		(1,8)		(5,3)		(3,7)	
Depreciation	(7,5)		(6,6)		(14,1)		(7,9)	
<b>Recurring operating income</b>	<b>10,7</b>	<b>4,3%</b>	<b>22,0</b>		<b>32,7</b>	<b>6,5%</b>	<b>13,3</b>	<b>4,8%</b>
Non recurring charges and amortization	-		1,2		1,2		1,6	
<b>Operating income</b>	<b>10,6</b>		<b>23,3</b>		<b>33,9</b>	<b>6,8%</b>	<b>14,9</b>	<b>5,4%</b>
Financial results	(0,2)		(0,4)		(0,6)		-	
Tax	(3,3)		(7,1)		(10,4)		(4,0)	
<b>Net income from continuing operations</b>	<b>7,2</b>		<b>15,8</b>		<b>23,0</b>	<b>4,6%</b>	<b>10,9</b>	<b>4,0%</b>
Net income from Divestment	(1,7)		7,9		6,2			
<b>Consolidated Net income</b>	<b>5,5</b>		<b>23,7</b>		<b>29,2</b>	<b>5,8%</b>	<b>10,9</b>	<b>4,0%</b>
<b>Group Share</b>	<b>3,7</b>		<b>21,3</b>		<b>25,0</b>		<b>9,6</b>	

# Cash Flow



Consolidated Cash flow Bridge (M€)

# Simplified consolidated balance sheet June, 30 2018

2017 retreated \*

S1 2018

Assets	Liabilities
Fixed 128,9	Equity 218,5
Other non-current assets 23,5	
WCR 86,6	Non current liabilities and Provisions 70,9
Net Cash 50,4	

Assets	Liabilities
Fixed 136,8	Equity 220,2
Other non-current assets 22,9	
WCR 92,3	Non current liabilities and provisions 71,9
Net cash 40,1	

\* After JKF goodwill reaffectedation

A solid financial position : Net cash of 40,1 M€ on June 30, 2018

# Financials Groupe SFPI

	S1 2017	2017 retreated	S1 2018
Equity	202,3	218,5	220,1
Borrowings	43,1	68,6	92,4
Cash available	98,2	119,1	132,5
Net cash	55,1	50,4	40,1
Cash flow	16,4	38,1	15,7
Recurring Operating Result	10,7	32,7	13,3
Depreciation	(7,5)	(14,1)	(7,9)

Dividendes de 6,6 M€

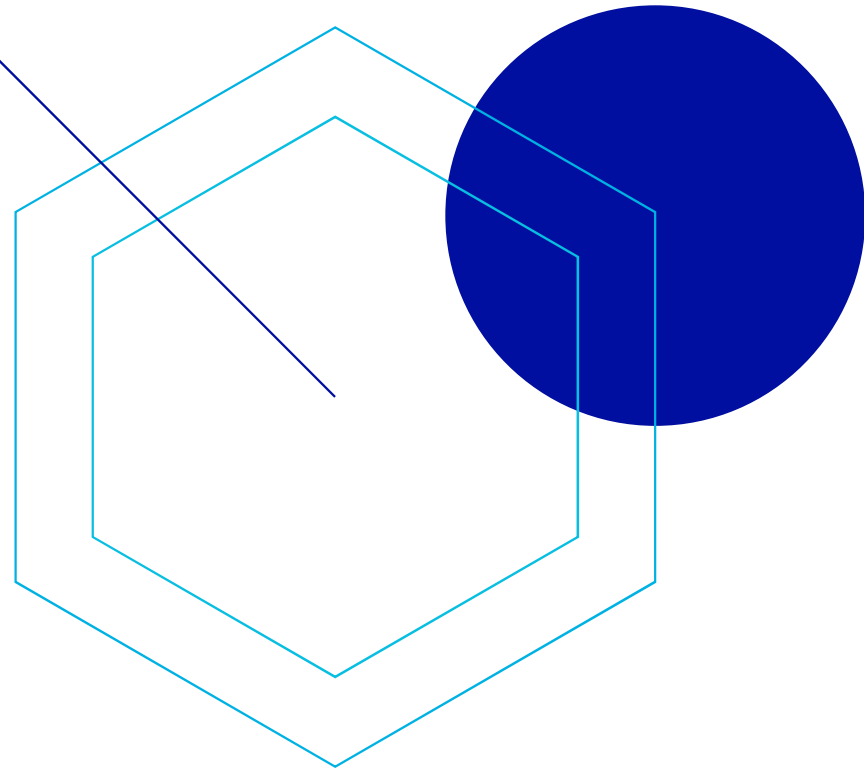
# Turn over Target

- Through organic growth:
  - Development and improvement of products. R&D investments for 5 % of payroll expenses
  - Increase of production means (+38 M€ in 3 years)
- Digitalisation of products' offer to meet our customers' needs.
- External growth with acquisition in order to reinforce our position in our activities' fields.

**A turnover ambition for 2018 of 550 M€**

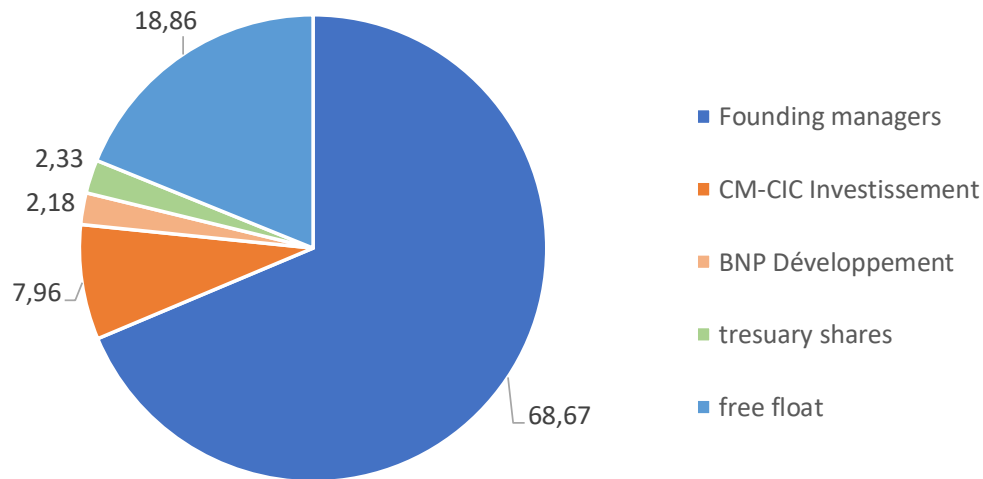


# The merger



# Stock Market mapping GROUPE SFPI

Shareholders



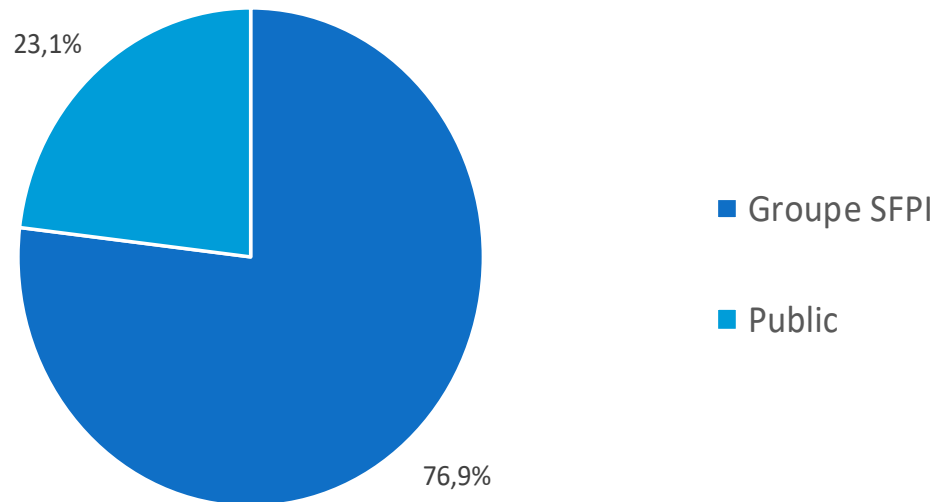
Shareholder structure on 24/09/2018

- Free float 31/12/2017 : 18,9 %
- Free Float 30/06/2018: 18,9%

- Number of shares: 89 969 862
- ISIN Code : FR0004155000
- Listing Market : Euronext compartment B
- Eligibility: Equity savings plans / PEA-PME (equity savings plans for SMEs)

- Dividends 2017 : 0,06 € /share  
(General Shareholder Meeting June 14th, 2018)

# Stock Market mapping DOM SECURITY



Shareholder Structure on 24/09/2018

- Number of Shares: 2 203 952
- ISIN Code: FR0000052839
- Listing Market : Euronext Compartment C

- Cancellation of 1,73 % of treasury shares (42 165 shares) May 17th, 2018
- Cancellation of 8,24 % of treasury shares (197 835 shares) September 5th 2018

- Dividends 2017 : 1,75 € / share
- Dividends 2016 : 1,75 € / share

# Benefits from the merger

- Unification and simplification of the Group's stock market structure
- Increased liquidity of the Groupe SFPI stock
- Simplification of the group operational management
- The merger will acknowledge that growth and strategy of both structure are similar
  - Both are in the building industry which represents 72% of the group sales.
  - DOM SECURITY's sales represent half of the building industry's division of the Group
- Increase of the consolidated income and equity of Groupe SFPI
- Costs savings

# Characteristics of the merger

- **Principle of the merger at January 1st, 2018 decided by both DOM SECURITY and GROUPE SFPI boards of directors on June 20, 2018**
- **Indicative parity : 20 GROUPE SFPI shares for 1 DOM SECURITY share**
- **Appointment July 23rd, of merger commissioners by the Paris commercial Court to decide the fairness of the merger parity for the two shareholders' structures**
  - **Didier Kling**
  - **Maurice Nussenbaum**
- **Merger commissioners report delivered September 26th,**

# Operations timetable

Date	Événement
[september 24 & 25]	<ul style="list-style-type: none"><li>▪ First semester results approved by DOM SECURITY board of directors</li><li>▪ First semester results approved by GROUPE SFPI board of directors</li></ul>
[september 26]	<ul style="list-style-type: none"><li>▪ Delivery of merger commissioner's report at the headquarters</li><li>▪ Final delivery of the frebuy public offer derogation's file at the AMF</li></ul>
[october 2]	<ul style="list-style-type: none"><li>▪ Expected approval of the derogation by the AMF</li></ul>
[october 4]	<ul style="list-style-type: none"><li>▪ Recording and publication of the E Document</li></ul>
[october 31 ]	<ul style="list-style-type: none"><li>▪ Approbation of the merger by DOM SECURITY and GROUPE SFPI Shareholders' meetings</li></ul>

# Post merging operation Shareholding Structure

Groupe SFPI - Initial situation		
Shareholding structure (as of 15/05/2018)	% shares	% voting rights
H. Morel	56.2%	64.3%
J-B. Prot	12.5%	14.3%
<b>Founding Managers</b>	<b>68.7%</b>	<b>78.7%</b>
Partner Banks	10.1%	10.5%
Treasury shares	2.3%	0.0%
Public	18.9%	10.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

Groupe SFPI + DOM Security (post OPAS and post merging operations)		
Shareholding structure (post operations)	% shares	% voting rights *
H. Morel	50.9%	60.7%
J-B. Prot	11.3%	13.5%
<b>Founding Managers</b>	<b>62.2%</b>	<b>74.2%</b>
Partner Banks	9.2%	9.9%
Treasury shares	2.1%	0.0%
Ex free-float DOM Security	9.4%	5.6%
Public	17.1%	10.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

\* Considering that voting rights of DOM Security ex-free-float = number of issued shares following the merging operation

Free float on November,1 2018 : 26,5%

# post merging operation outcome

- Group control unchanged but simplified
- Creation of a new listed structure leading the entire group
- Better liquidity resulting from the 50% increase of GROUPE SFPI free-float (from 18.7% to 27%)
- Relative impact on GROUPE SFPI net income (group share)
- A structured Group ready for new developments ...



www.sfpi-group.com

**SfpI GROUP** Safety for people & industry

www.sfpi-group.com/global/en/investor-relations

SfpI €3.18 0.00 (0.00%) → [DETAIL](#) EN ↓ Search Q

**SfpI GROUP** Safety for people & industry

About us Industries Investor relations Contact

# Investor relations

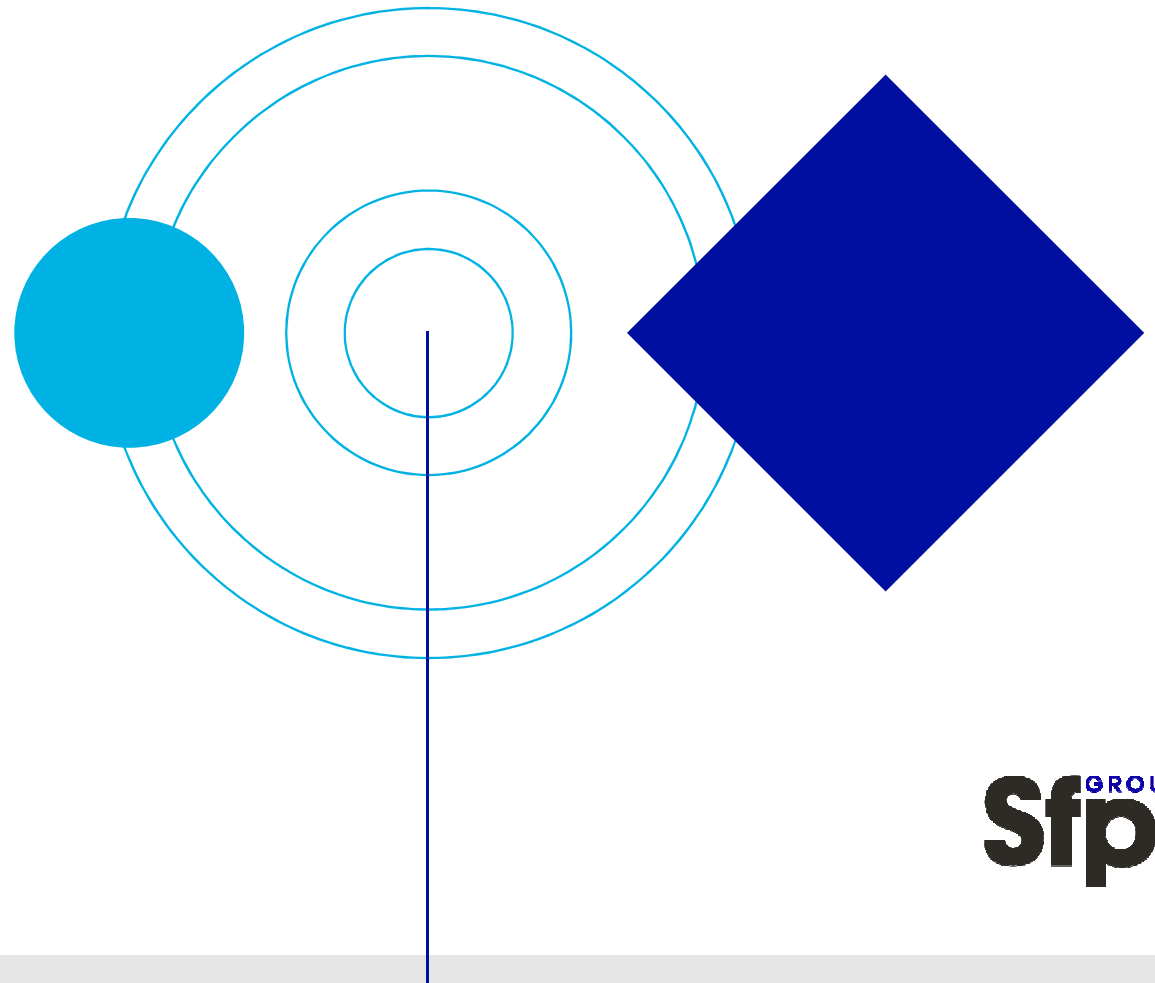
**Find all the investor information below:**  
for easier consultation of our documents, the organization of the Investor Relations section follows the Middelnext's guidelines.

**Shareholders** →

**Agenda** →

**Governance** →

# Appendices



# Kpi's

- The indicator « Current operating income » and « Net financial debt » comply with the 2013-03 recommendation of November 7, 2013 issued by the French Accounting Standards Authority.
- The term « net Financial excess » refers to a « Net Financial Debt » where the net cash is greater than the gross financial debt.
- The growth margin results from the difference from :
  - Sales
  - WIP and finish products inventory
  - Consumed purchases
  - And the external charges allocated to customers orders